<u>REMARKS</u>

Amendments have been made to the specification. Claims 1 - 5, 7 - 12, 14 - 19, and 21 have been amended. No new matter has been introduced with these amendments, all of which are supported in the specification as originally filed. Claims 1 - 21 remain in the application.

I. Objection to the Specification

Paragraph 1 of the Office Action dated January 18, 2005 (hereinafter, "the Office Action") states that the disclosure is objected to because of informalities. Appropriate correction has been made herein, and the Examiner is respectfully requested to withdraw this objection.

II. Claim Objection

Paragraph 2 of the Office Action states that Claim 3 is objected to because of an informality. Appropriate correction has been made herein, and the Examiner is respectfully requested to withdraw this objection.

III. Rejection under 35 U.S.C. §102(e)

Paragraph 4 of the Office Action states that Claims 1, 3, 5 - 8, 10, 12 - 15, 17, and 19 - 21 are rejected under 35 U.S.C. §102(e) as being anticipated by U.S. 6,554,187 to Otto. This rejection is respectfully traversed.

Independent Claims 1, 8, and 15 specify limitations not found in Otto. Otto fails to teach,

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for example, "storing the unique correlator value in an RFID tag affixed to each of the items [being purchased together], such that correlator values stored in RFID tags affixed to a group of items can subsequently be compared to determine whether the items in the group were all purchased in one transaction" (Claim 1, lines 5 - 8, emphasis added). Thus, independent Claims 1, 8, and 15 are deemed patentable over Otto.

Independent Claims 3, 10, and 17 also specify limitations not found in Otto. Applicants find no teaching, nor any suggestion, in Otto of "concluding that selected ones of the items possessed by the shopper were potentially not paid for if the located correlator value for the selected items is not identical to the located correlator value for the other possessed items". Instead, Otto teaches checking an RFID tag to determine whether "purchase information" stored therein is from a different store (see Fig. 2, Block 50; col. 2, lines 51 - 52; and col. 3, lines 40 - 42). Each outcome of this check will now be discussed, according to Otto's teachings.

First, if the check indicates that the purchase was from the current store, then Otto teaches that the purchase information stored therein is <u>not</u> further investigated. See Fig. 2, "yes" branch from Block 50 (as well as the corresponding text in col. 3, line 39), which notably <u>skips</u> the "[contains] purchase information?" test in Block 52 and instead, checks (at Block 54) to see if a promotion should be offered to the customer. If the test in Block 54 has a positive result, the promotion is issued (Block 56). For example, a promotion might inform the customer of opportunities for a better price if that item had been bought in the current store. See col. 2, lines 51 - 59. Or, a coupon might be provided for use in the current store. See col. 2, lines 59 - 62.

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See also col. 3, lines 44 - 50, which discuss issuance of the promotions.

On the other hand, if the check for "same store" (Block 50 of Fig. 2) indicates that the purchase was from a <u>different</u> store, then Otto teaches that the purchase information stored therein is investigated further. See Fig. 2, "no" branch from Block 50 (i.e., the item is <u>not</u> from the same store), and the subsequent test of the RFID tag's purchase information in Block 52. See also the corresponding text in col. 3, lines 40 - 43.

Checking an RFID tag from an item (Fig. 2, Block 48; col. 3, lines 32 - 33) to determine whether that item was purchased in a <u>different store</u>, as taught by Otto, is patentably distinct from Applicants' claimed limitation of "concluding that selected ones of [a plurality of] items ... were potentially not paid for if [a transaction-specific correlator value located in an RFID tag affixed to] the selected items is not identical to the located correlator value for the other ... items" (Claim 3, lines 6 - 8, emphasis added).

Thus, independent Claims 3, 10, and 17 are deemed patentable over Otto. Dependent Claims 5 - 7, 12 - 14, and 19 - 21 are therefore deemed patentable over the reference as well. The Examiner is therefore respectfully requested to withdraw the §102 rejection.

IV. Rejection Under 35 U.S.C. §103(a)

Paragraph 7 of the Office Action states that Claims 2, 4, 9, 11, 16, and 18 are rejected under 35 U.S.C. §103(a) as being unpatentable over Otto in view of U.S. 5,745,036 to Clare.

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This rejection is respectfully traversed.

As demonstrated above, Otto fails to render Applicants' independent claims unpatentable. Clare fails to teach storing information of any kind onto an RFID tag, and in particular, does not store a "unique correlator value" in an RFID tag. Clare teaches that RFID tags store "preprogrammed" information that provides "identification information about the article 12" to which the tag is attached. See col. 4, lines 51 - 56. This preprogrammed information may comprise a serial number of the RFID tag itself (col. 5, line 41) and optionally, an item number of the article to which the tag is attached (col. 11, lines 36 - 39).

FAX

Applicants therefore respectfully submit that Clare cannot be combined with Otto to render their dependent Claims 2, 4, 9, 11, 16, and 18 unpatentable, and the Examiner is respectfully requested to withdraw the §103 rejection.

Conclusion V.

Applicants respectfully request reconsideration of the pending rejected claims, withdrawal of all presently outstanding objections and rejections, and allowance of all claims at an early date.

Respectfully submitted,

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